

# **FISCAL NOTE**

## **HB 2431 - SB 2509**

January 30, 2004

**SUMMARY OF BILL:** Provides for individuals who have completed at least one year of service as a volunteer firefighter and who possess a certificate from the chief of a recognized fire department indicating such service to receive the volunteer firefighter new specialty earmarked license plate without paying either the regular fee applicable to the motor vehicle, a revenue neutral issuance fee, or the specialty license plate fee.

### **ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$53,280 One-Time**  
**Decrease State Revenues - Exceeds \$250,000/General Fund**  
**\$12,320/Tennessee Arts Commission**  
**\$3,080/Highway Fund**

Estimate assumes:

- There are currently 1,100 volunteer firefighters with new specialty earmarked license plates registered. Approximately 80% or 880 would qualify for plates at no charge under the provisions of the bill resulting in a decrease in revenues from the \$35 specialty plate fee. 50% of this fee was distributed to the Tennessee Volunteer Firefighters Association, 40% to the Tennessee Arts Commission, and 10% to the Highway Fund.
- There are approximately 16,000 volunteer firefighters in Tennessee. Approximately 80% or 12,800 would qualify to receive the specialty license plate without paying the specialty plate fee or the regular fee applicable to motor vehicles resulting in a loss of revenue from the regular registration fee of \$21.50 currently being paid resulting in a decrease in state revenues exceeding \$250,000.
- A one-time increase in expenditures to manufacture and distribute 11,920 (12,800 - 880) plates to volunteer firefighters eligible for the specialty plate at no charge that currently do not have the specialty plate at a cost of \$4.26 each.
- A one-time increase in expenditures for computer system changes of \$2,500.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director